

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 2737 - SB 2678

February 9, 2010

SUMMARY OF BILL: Prohibits the use of traffic surveillance cameras purchased from, operated, or monitored by persons or businesses who are not residents of Tennessee. Contracts currently in effect may continue until their expiration or until the cost of using the cameras has been recovered.

ESTIMATED FISCAL IMPACT:

Forgone Local Revenue – Exceeds \$1,000,000

Decrease Local Revenue – Exceeds \$2,000,000

Decrease Local Expenditures – Cost Avoidance – Exceeds \$100,000

Decrease Local Expenditures – Exceeds \$200,000

Assumptions:

- Contracts currently in effect are not with Tennessee companies.
- Local governments that are not currently operating cameras but that would have utilized cameras in the absence of this legislation will experience forgone local revenue estimated to exceed \$1,000,000 for traffic fines that will not be collected.
- Local governments currently operating cameras will experience a decrease in local revenue estimated to exceed \$2,000,000 for traffic fines that will no longer be collected.
- Local governments that are not currently operating cameras but that would have utilized cameras in the absence of this legislation will experience a cost avoidance in local expenditures estimated to exceed \$100,000 for not paying vendors a portion of fines.

- Most cameras are operated through a contract with a vendor; the vendor is paid a percentage of fines collected. Local governments currently operating cameras will experience a decrease in expenditures estimated to exceed \$200,000 for no longer paying vendors a portion of fines.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/kmc